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AUTHOR Huddleston, Kenneth; And Others
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ABSTRACT

This guide was developed to assist local postsecondary community and technical colleges in designing or redesigning an economic development strategy. Section 1 explains the critical need for enhancing the development of human resources to boost the lagging productivity of the state (Wisconsin) and nation. The second part suggests an eight-step sequential process for building a local economic development plan. It provides thought-provoking questions and actual elements to be addressed in the development of an action plan for extending economic development services to the local business community. The following major areas are examined: (1) securing local commitment, (2) conducting an internal assessment of institutional resources, (3) assessing the needs of the community, (4) developing the plan itself, (5) securing institutional approval, (6) preparing for startup, (7) implementing the plan, and (8) evaluating the economic development services. Appendixes include a listing of guide assumptions, a bibliography, and a resource list. (YLB)

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The Economic Development Opportunity

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A guide for building VTAE district-community partnerships for economic development

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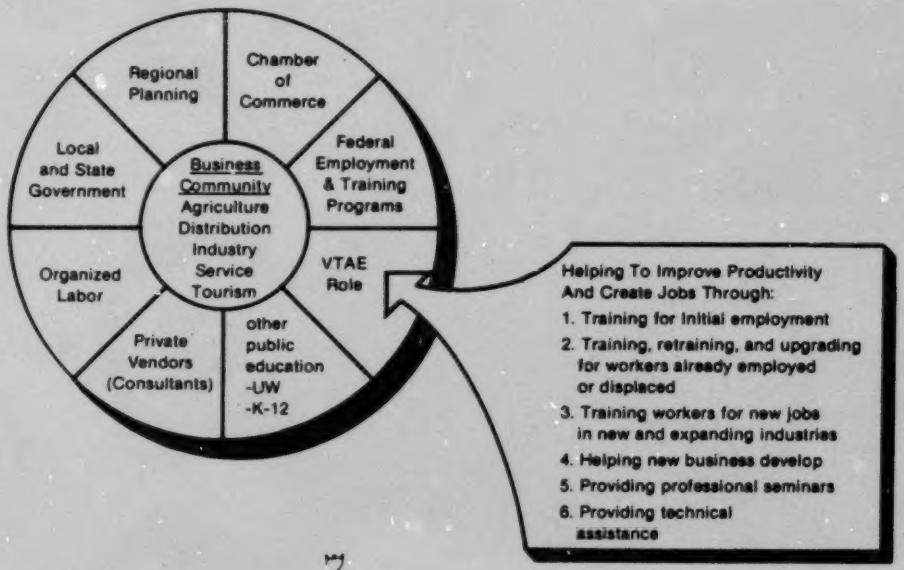
Economic Development

- Helping to make business productive and profitable, while
- Helping to create jobs and qualified workers to fill them.



FOREWORD

If Wisconsin is to compete effectively in keeping and attracting business investments, it must develop a concerted effort utilizing all its resources to be attractive and desirable as a place to do business.

This challenge cannot be met by state government alone, nor by individual municipalities acting on their own. Chambers of Commerce can be only minimally effective by themselves, and the system of occupational education, provided by the Wisconsin VTAE system, can only be part of the answer. Acting together, however, within a synchronized plan, we can say with confidence, "the goal is achievable."

This guidebook seeks to assist VTAE districts in gearing up for economic development services. The contents of the guide were developed through the advisory input of representatives of business, labor, local and state government, and a variety of service agencies. To all who gave of their time and talent to make this effort possible, we extend our sincere thanks. A detailed list of these advisory team participants is provided in the Appendix.

The contents of the guide are divided into two parts. Part One explains the critical need for enhancing the development of our human resources to boost the lagging productivity of our state and nation. Part Two provides a detailed, step-by-step sequence for developing a local district plan for economic development services. Such a plan can play a meaningful role in the development of latent human resources to the benefit of our state's economy.

Use the guide as a blueprint. Integrate local needs and perspectives. Share the results of your experiences with other districts. Today, perhaps more than ever before, we all have an important share in the economic development stakes.

Robert R. Sorenson, Ph.D.
State Director
Wisconsin Board of VTAE

Stanley J. Spanbauer, Ph.D.
District Director
Fox Valley Technical Institute

EXECUTIVE SUMMARY

Recent years have seen a serious slipping of the U.S. economy. Plants have become idled. Costs of fuel and other essentials have skyrocketed. Productivity gains have slipped, while foreign competition has stiffened.

Unemployment lines have grown long.

Lagging business productivity and the gradual shifting of new business expansion into the sun belt states signals a specific challenge for Wisconsin. The Wisconsin System of VTAE has an important role in meeting this challenge.

Vocational-technical education has performed a critical role in the economy of the state for many decades. Today, it can continue to be an important force as we seek to forge a partnership with the business community. This partnership must include those other units, both public and private, which have a vested interest in the economic well-being of our state. Through this partnership we can ensure that human captial essential to business productivity will be available as needed.

This guide will help you to develop a local VTAE district economic development plan, and will help you to implement that plan.

VTAE districts desiring to meet the challenge will need a well thought-out plan for economic development services. This guide presents an eight-step process for developing such a plan.

Your district's economic development services may play a critical role in maintaining a healthy business climate in your community.

The process must build on the support of the local district board, and include the establishment of internal and external advisory groups for economic development. Assessments of available institutional resources and the needs of the business community are critical components of the process. Definition of services to be provided and priorities, based on resources which can be committed, need to be addressed. Organizational structure, marketing strategies, operating policies and procedures, and budgeting considerations need to be integrated into the overall plan. Finally, the district board must review the plan and give the go-ahead for implementation.

The eight-step process presented will result in a detailed written plan for VTAE economic development services within your district.

This guide leads you through the eight-step process of developing your district's economic development plan. The result of the effort will be a detailed blueprint of operations for VTAE economic development services for your district community.

Section One

Why Economic Development?

WHY ECONOMIC DEVELOPMENT?

An Historical Perspective

As we scan our nation's history, we find that vocational-technical education has been a vital resource in boosting the nation's economy at times of national crisis. The Smith-Hughes Act of 1917, our involvement in training over 7,000,000 workers during the World War II era, and our vigorous response to the Sputnik challenge are all vivid reminders of the role our system has played.

Challenge One FOREIGN COMPETITION

In the 1980's, our role in economic issues is changing and expanding. International competition, coupled with the decrease in the growth of America's productivity, has sparked a national concern for economic development. Occupational education is being asked to join in the effort to strengthen the national economy.[3]

Occupational education is being asked to join in the effort to strengthen the national economy.

Many countries are rapidly gaining on the U.S. in productivity.

Traditionally, the United States has dominated world trade. While other nations struggled with out-of-date and labor intensive production, the U.S. capitalized on its strong industrial base. In the 1970's, however, other nations began to exert themselves as a real force in the world market with high quality, reasonably priced products.[4]

Our industrial equipment is twice as old as that of Japan.

These countries have modernized their plants and equipment, and upgraded their workers at an astonishing pace. Japan's manufacturing equipment averages approximately 10 years of age compared to about 20 years for the United States. Six countries now report a higher percent of skilled workers in the work force than the United States. Some report that the skill content of our imports now exceeds the skill content of our exports. The Bureau of International Labor Affairs reported that the decline in the U.S. trade since the 1960's "is the result of the differences in the growth of net real investment in equipment and acquisition of labor skills through education and training."[5]

Six countries now report a higher percent of skilled workers in the work force than the United States.

Productivity levels of many other nations have shown continuous increases. At the end of World War II, the level of American productivity was almost double that of the United Kingdom and France, three times the level of Germany and Italy, and seven times that of Japan. By 1973, Japan's and West Germany's rates of productivity growth increased to over twice that of ours, especially in manufacturing. Though we remain the most productive work force in the world, the overall level of productivity of the United States will be surpassed soon by a number of other countries unless we respond.[5]

Productivity of the United States will be surpassed soon by a number of countries...

The economic impact of foreign competition and high levels of productivity in other nations could be devastating for the U.S. Inflation, unemployment,[6] underemployment,[7] a lowering of our standard of living — already down from first to fifth in the world,[8] — social and political unrest,[9] and a weakening national defense posture[10] could all be products of continued lagging productivity and increased foreign competition. Our future economic stability will depend on how we respond.

The economic impact of foreign competition...could be devastating for the U.S.

New technologies and new management practices — vocational-technical education can deliver this type of training.

To meet this challenge, we must shore up to once again establish ourselves as a source of skilled workers, high productivity, and economic stability. Growth technologies including pneumatics, hydraulics, electro-mechanics, lasers, fiber optics, computer-aided design, computer-aided manufacturing, biomedical engineering, and microcomputers will need designers, installers, operators, and maintenance personnel. New management practices, such as employee participation and job redesign which improve human productivity and the quality of work life, require higher skill levels. Vocational-technical education can well deliver this type of training.

Challenge Two
COMPETITION FROM OTHER STATES

During one recent year, Wisconsin reported an increase of 4,700[12] new jobs, whereas North Carolina reported an increase in excess of 32,000. Wisconsin, like a number of other northern states, is reminded daily of the expansion of business to the sun belt areas. Few argue about the seriousness of this challenge and its potential for limiting Wisconsin's economic growth in the 1980's.

During a recent year, Wisconsin reported an increase of 4,700 new jobs, whereas North Carolina reported an increase in excess of 32,000.

In Wisconsin, our future may well depend on what we do now. Wisconsin's loss of 1,055 of 43,200 manufacturing jobs during 1981 has been proportionally greater than the national average, with one-quarter of the decline not accounted for by the recession. Research indicates that our state's economic growth will continue to be slower than the nation's. We have a disproportionately low share of the United States' new technological industrial base, a decline in new industrial plants, and a falling off in both our durable and non-durable goods manufacturing industries[11]. Modernization of existing plants using new technology, diversifying our industrial base, and attracting and developing new business will be needed. The availability of a skilled labor force will be essential.

We have a...low share of...new technological...base, a decline in new industrial plants, and a falling off in...manufacturing industries.

Vocational/technical education delivered by local VTAE districts, in cooperation with business and industry, has the potential for training, retraining, and upgrading the work force of Wisconsin.

Thirteen states recently surveyed reported providing training services to new and expanding companies without cost to the recipients.

Thirteen states recently surveyed reported providing training services to new and expanding companies without cost to the recipients. States surveyed spend approximately one million dollars yearly in this effort. On the average, this provided training services to about 65 companies.[13] In effect, these states recognize that the availability of a trained work force is critical in any decision to locate a new business or to expand an existing business.[14] To be competitive in attracting out-of-state industry, we are being challenged to offer training services which are competitive with those of other states. This is now a declared priority of the Wisconsin Board of Vocational, Technical, and Adult Education and the Department of Development.[15]

To be competitive in attracting businesses to Wisconsin, we must offer training services which are competitive with those of other states.

The two challenges outlined above reveal the answers to two important questions, "Why economic development?" and "What is the role of VTAE districts?"

A CASE FOR VTAE INVOLVEMENT

Wisconsin's system of VTAE has roots reaching back to 1911, and can readily identify its past role in the economic growth of the state. It would be easy to reflect proudly on the past and say, "trust us to meet Wisconsin's future economic development challenges as well." However, it is no longer a simple matter of "trust"—we are being challenged to prove our case.

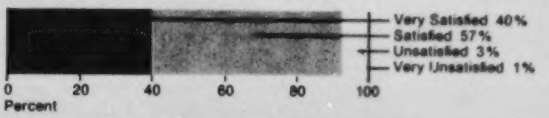
As stated before, economic development involves efforts to improve the productivity and profitability of businesses, and to create new jobs and qualified workers to fill them. This implies that the state, as a whole, must focus on developing the key elements of capital, entrepreneurship, and a skilled work force. This task can only be accomplished through a synchronized effort of all parties who have an interest in the economic well-being of Wisconsin. The VTAE system has a key role in this partnership. A closer look at this role reveals the following specific kinds of involvement.

Training for Initial Employment

In 1980-81, 14,146 graduates of over 300 different associate degree, vocational diploma, and certificate programs provided

1980-81 GRADUATE FOLLOW-UP REPORT

97% Of the respondents were satisfied or very satisfied with the training they received.



87% Of Those In The Labor Force Are Employed
- Earning An Average Of $1036 Per Month In Jobs Related To Their Training
- Working An Average Of 41 Hours Per Week

90% Employed In Wisconsin

71% Employed In District Where They Attended School

83% Job Is Related To Training

14% Job Is Not Related To Training

3% Job Relatedness Not Reported

Nearly 80 percent of the full-time programs graduates of 1981 were employed in Wisconsin six months after graduation.

the labor to meet labor skill demands of business.[16] Nearly eighty percent of these full-time program graduates were employed in Wisconsin six months after graduation.

Quality pre-employment training must continue in all districts with an eye to meeting the unique needs of the future. Such pre-employment training should increasingly include on-the-job training opportunities such as apprenticeships and cooperative training programs.

Jobs are becoming obsolete in an average of eight years.

Training for Workers Already Employed

With jobs becoming obsolete in an average of eight years, and with the average worker changing occupations at least twice in a working life, retraining and upgrading of the work force is more important than ever. By 1990, it is projected that 66 percent of the blue collar jobs of 1950 will no longer be needed. The remaining 34 percent will involve considerably more technical skills.[17]

By 1990, 66 percent of the blue collar jobs of 1950 will no longer be needed.

Moraine Park Technical Institute in 1980-81 provided in-plant training to approximately 5,600 workers in 100 firms. The ability of VTAE districts to meet this training need is of particular importance, since 75 to 80 percent of the potential for economic expansion is present in existing business.

Training Workers for New Industries

New business start-ups are closely linked to the availability of a trained work force. There is a need to focus and market VTAE efforts in this area. Good examples of new industry training are Mid-State Technical Institute's work with Woodward Governor or Blackhawk Technical Institute's training programs for General Motors Corporation.

Successful new business start-ups are closely linked to the availability of a trained work force.

Professional Seminars

The state's economic development effort requires the continued training of professionals. Short, intensive seminars allow professionals to meet changing work challenges. The Lakeshore Technical Institute District conducts more than 50 seminars each year as part of its "Corporate Connection" program. Interaction with business personnel indicates that there will be a growing need for these human resource development activities.

Short, intensive seminars allow professionals to meet changing work challenges.

Technical Assistance

A variety of training and supportive services have been offered. In one example, 1,400 people participated in clinics for inventors in a recent two-year period, learning about the framing of concepts, development of products, production facilities, and marketing strategies.[18]

VTAE districts have offered a variety of employee and work place assessment services. In one project, Fox Valley Technical Institute provided analysis of job tasks which became the framework for a set of operating and training manuals for the Bergstrom Enterprises' Paper Valley Hotel and Conference Center property.

Authorities differ on just how many workers will need retraining and upgrading within the next decade, with estimates ranging from 20 to 80 million. One authoritative source, Dr. Gene Bottoms, Executive Director of the American Vocational Association, quotes 45 million. For Wisconsin this could mean that between 500,000 to 2,000,000 presently employed Wisconsin workers will need skill training in the next 10-year period. Furthermore, in a recent study in Milwaukee, 64 percent of the firms studied anticipate a shortage of skilled workers and a need for revitalization within three years.[20]

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TABLE OF SERVICE OPPORTUNITIES

IN-PLANT TRAINING

- Existing Curriculum
- Customized Curriculum
- Comprehensive "Quick Start" for New Employees

WORK-STUDY PROGRAMS

- Apprenticeship Training
- Cooperative Education/Internship
- Pre-graduation Employer Customized Training

CONTENT OF TRAINING

- Basic Skills
- Technical Skills
- Affective Work Skills
- Communication Skills

AUDIENCES

New, Existing, Expanding Companies

EMERGING TRAINING NEEDS

- Small Businesses
- Technologically Displaced Workers
- Entrepreneurship Training
- Emerging Occupations
- Retraining and Upgrading
- State-of-the-Art Seminars for Professionals

TECHNICAL ASSISTANCE

- Small Business Assistance
- Industrial Testing and Career Development
- Worksite Problem Analysis
- Task Analysis
- Placement and Outplacement Services
- Training Needs Analysis

The contrast between our present high unemployment rate and the growing shortage of skilled workers in Wisconsin points to a clear challenge for VTAE districts. We must become an even more active partner in the economic development initiative.

CONCLUSION

In conclusion, economic development has been chosen as a major goal of the VTAE System. Barriers to achieving this goal must be identified and overcome. New district initiatives and cooperative efforts must be built and communicated. By coordinating our efforts and continuing to focus on the changing needs of Wisconsin, VTAE services will have a positive influence, not only local economies, but the state's economy as well.

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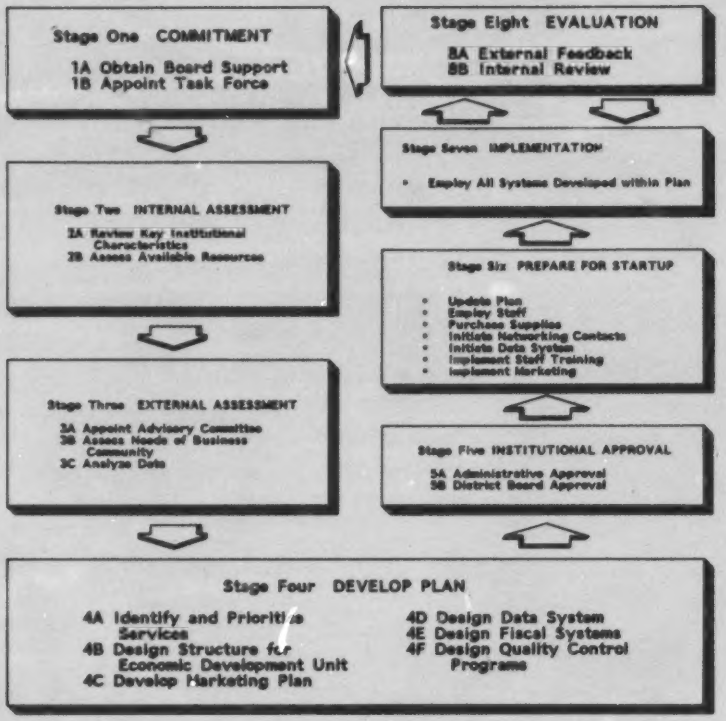
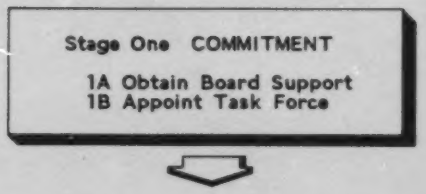


Section Two

Developing a District Plan for Economic Development Services

Stage One COMMITMENT



Activity 1A — OBTAIN BOARD SUPPORT

Development of a plan for economic development services must commence with the district board's approval of the concept of moving more fully into such services.

To help make that decision, the board should be presented with the following information:

- The urgent ecnomic challenges facing the state, and the role the local district might play in meeting these challenges.
- Specific areas that will be addressed in the plan.
- The timelines, staff, and costs for developing an economic development plan.
- The process to be used to develop the plan.
- The businesses, associations, public and private agencies and firms which already support the development of such a plan.

- The manner in which the results will be reported back to the Board for their review and direction.

Presented with this information, the Board can decide whether or not to approve the development of the local plan.

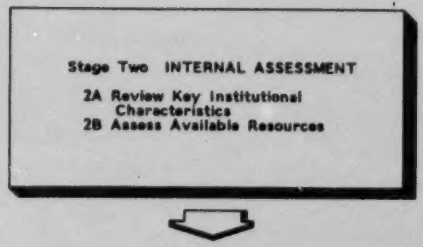
Activity 1B — APPOINT TASK FORCE

To facilitate completion of the needs assessment and planning processes, an internal task force on economic development should be established. Consider including the following representatives on this task force: bargaining unit member, district administrator, instructor, district economic development coordinator, local board member, mid-level manager, program coordinator, and persons with specific economic development expertise.

Responsibility for managing and coordinating the development of the local plan should be vested in a single individual.

Stage Two
INTERNAL ASSESSMENT

The first step for the Economic Development Task Force is to conduct an inventory of resources which the institution presently has available to support economic development services. There are several institutional characteristics that should be in place before a comprehensive economic development program is undertaken.



Activity 2A — REVIEW KEY INSTITUTIONAL CHARACTERISTICS

Assessment of the institution's capabilities should precede the assessment of business needs. Communicating with business to determine needs implies the capacity to deliver services. Hence, the institution must be certain of its ability to provide selected services before it queries business about its needs.

Checklist: The following key characteristics have an important relationship to economic development services. Assess where your institution stands.

	NO	YES
• Existing curriculum is in a flexible, modular format, based on measureable job tasks.		
• Instructors are technologically current, or resources are available to retrain staff in a short time frame.		
• Instructors can be released from regular teaching duties, and/or other qualified instructors are available.		
• The institution has a means of producing such learning resources as booklets, slides, audiotapes and videotapes.		

Should there be any "no" responses, your plan for economic development should include solutions to the shortcomings. For example, if existing curriculum is not flexible and modular, a curriculum specialist can be engaged to direct production of new curriculum in a format more suitable for use by business clients.

Activity 2B — ASSESS AVAILABLE RESOURCES

In its efforts to assess available resources, the Economic Development Task Force will seek answers to the following questions.

- What programs and services are already in place?
- What programs or services might be expanded, modified or discontinued to free resources for economic development activities?
- What is already being done and by whom? Who is already involved in outreach to business and industry?
- What data is already available on interactions with business?
- What monetary resources, including state funding, are available to support services to business and industry?
- To what extent is existing instructional staff willing to participate in economic development activities involving non-traditional times and locations?

- Is there a person presently on staff who can direct economic development activities?
- What physical facilities can be made available for supporting economic development activities?
- What unique characteristics of the institution would facilitate economic development activities?
- What barriers would discourage economic development activities?

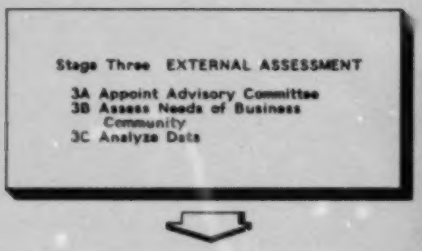
Based on what you have examined about your institution, do you think your institution can actually deliver services to business and industry above and beyond your existing programs and outreach activities?

Stage Three
EXTERNAL ASSESSMENT

Activity 3A — APPOINT ADVISORY COMMITTEE

Having undertaken the assessment of institutional resources, establish an advisory committee on economic development chaired by the District Director. Membership for the committee should be drawn from leaders of key businesses, other educational organizations, public and private agencies, governmental units, and other significant community organizations.

The advisory committee will be a standing committee to ensure continued coordination and promotion of economic development efforts. The committee will be a key resource in helping to identify the unique role of VTAE in local economic development. It will serve as a sounding board for the economic development program and structure and will provide data on the needs of business.



In establishing this committee, identify answers to the following questions.

- What key sectors of the community need to be represented, and who are the individuals who can provide quality input?

- Are there key members of existing program advisory committees who should be asked to serve?

- Should the District Board be represented on the committee?

- What might be the optimum size of the committee? If your primary objective is to enlist the support of a cross-section of related organizations, membership will be large. If the committee is to deal in depth with substantative issues of economic development, committee size might be limited to a few individuals who possess both an in-depth knowledge and broad perspective on the topic.

Activity 3B — ASSESS NEEDS OF BUSINESS COMMUNITY

Collect data that already exists in local Chambers of Commerce, labor unions, regional planning offices, universities and colleges, business organizations, Job Service, and other agencies involved in planning services and economic development in your area.

In addition to collecting this data, any of several techniques can be used to provide key information on the needs of the business community. The object of this investigation is to gather the information necessary for planning.

The following approaches will be useful in gathering this information.

- Survey all existing district program advisory committees.
- Set up panel presentations by business leaders who can provide insight on their needs and perceptions.
- Hold one-on-one meetings between key staff members and business leaders.
- Meet with area economic development planning bodies such as Regional Planning Commissions, local community industrial development councils, or Chambers of Commerce, to project training needs.

Activity 3C — ANALYZE DATA

The final step in the process of assessing the needs of business involves synthesizing the data gathered in order to answer these questions:

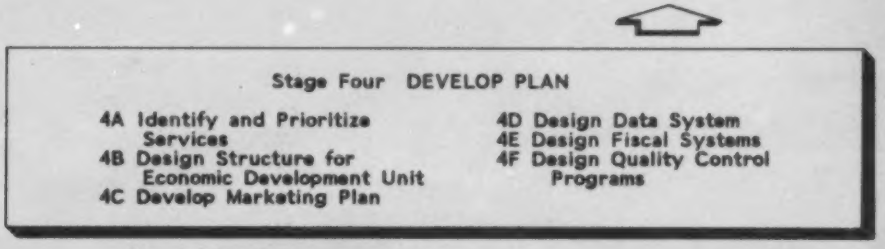
- Which priority needs seem to surface again and again?
- Which technological developments appear to be imminent which will require specialized training?
- What new types of jobs is existing business most likely to create due to changing technology?
- What clues do you have about new businesses which may enter your community?
- What expansion projects are imminent?
- What type of training is needed to retain current jobs or entire industries?

Stage Four DEVELOP PLAN

In this phase, the plan for providing economic development services is formulated. A critical part of detailing the plan is identifying the resources needed to deliver services. If adequate planning is not done at this point, a district may find itself in the implementation phase without adequate staff or resources to support the effort.

Both the external advisory committee and internal task force should be involved in plan development.

To the extent possible, all levels of district staff should be involved in this phase — if only through communication about the effort. Inviting participation and informing staff on the progress of the Economic Development Task Force is a sound beginning to the in-service training which the staff will ultimately need on the economic development initiative.


Stage Four DEVELOP PLAN
4A Identify and Prioritize Services
4B Design Structure for Economic Development Unit
4C Develop Marketing Plan
4D Design Data System
4E Design Fiscal Systems
4F Design Quality Control Programs

Activity 4A — IDENTIFY AND PRIORITIZE SERVICES

Examine Existing Instructional Offerings

Identify regular program offerings which could be made available in non-traditional ways.

- What courses, programs, and modules now exist which will readily meet identified business needs?
- What upgrading and in-service programs could be offered on campus to meet the specific needs of already employed or displaced workers in the district? Which employers are most likely to have staff in need of this training?
- What modifications or additions to existing program offerings can help to meet economic development needs as you now see them?
- What courses are you presently offering at non-traditional times which will meet the needs of employed persons?

Identify New Instructional Opportunities

Identify the modes and types of training which could be developed for economic development activities.

- How can you best deliver "in-plant training programs? In what areas do you have curriculum available and staff ready to do this? What criteria will you use to determine when it is feasible to deliver in-plant training? Can you deliver in a "quick start" mode?

- In what areas do you have skilled staff readily available to customize training packages to meet specific employer needs? How will you determine when it is feasible to do this?

- How can these efforts be coordinated with present and projected apprenticeship training?

- Are you planning to offer affective work skills training packages? In what kinds of skills: Productivity? Problem solving? Team building? Affirmative action?

- What can you offer to meet the specific needs of small business? What will be your mode of delivery?

- What plan does the institution have for responding to emerging occupations and skill areas? What new industries are your economic development partners seeking to attract to the area? How will you be able to respond?

- How will you meet continuing needs for worker upgrading and retraining?

- What role will you play in attracting new businesses to the area or helping "spawn" new business? What services will you provide, how will the services be financed, and how will you make your initial contact? What public agencies involved in economic development will you work with and what will your role be? How will you interact with Chambers of Commerce? What strategies do you have for recruiting industry?

Identify Technical Assistance Services

Identify the technical assistance areas, other than instruction, which you can offer to business.

- What forms of technical assistance can you make available for small business, and how will you deliver this?
- Do you wish to provide industrial testing and career development services or outplacement services for displaced employees?
- Might you become involved in work site problem analysis and correction? For what occupational areas?
- Could you analyze work tasks and help an employer to establish standard operating procedures?
- Will an analysis of your graduate placement services reveal that you could be more helpful to employers in this area?
- Do you wish to provide training needs analysis services to area firms?
- Can you assist employers with specific issues such as affirmative action or handicap access?

Establish Service Priorities

When an educational institution makes a serious commitment to providing economic development services, the business community will respond. It is essential, therefore, to set priorities on what kinds of services will be offered. This requires some cost-benefit analysis.

- Will you focus primarily on new or existing businesses? On large or small business? On particular industries, technologies, or firms?
- Are there some services you wish to promote more aggressively than others?
- What curriculum will need to be modified, or developed?
- What financial resources are available to support curriculum modification?
- What are the key services you will offer? What will be your service priorities?

The Table of Service Opportunities on page 16 identifies some ideas for consideration in establishing services and defining priorities.

Activity 4B — DESIGN STRUCTURE FOR ECONOMIC DEVELOPMENT UNIT

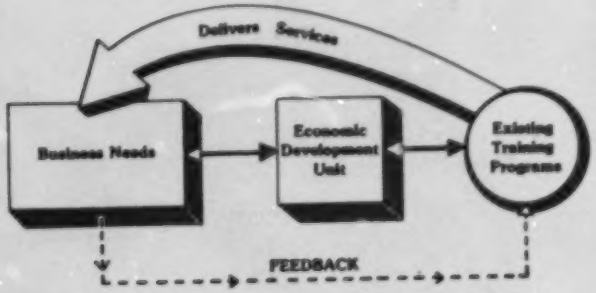
Select an organizational design which best suits your institution and the range of services you will provide.

A recent study conducted by the American Council on Education found that *the primary reason for success is the existence of a person or office whose sole responsibility is economic development.* Hence, designating the administrative structure and staff are critical steps in designing the economic development program.

There are several possible ways for the economic development unit to function within the organization. Let us examine three of these; the Integrated, the Independent, and the Facilitator Models.

THE INTEGRATED UNIT

In the integrated model, the economic development unit serves as a central clearinghouse for information.



The economic development unit markets district training and services to local business. When the economic development unit discerns a need in the business community, the staff passes that information to the appropriate program within that institution. The courses or services are planned and provided by staff from the existing program areas. The economic development unit provides liaison throughout the process, and is responsible for evaluating the effort.

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The strengths and weaknesses of the integrated unit can be summarized as follows:

STRENGTHS

1. Strengthens full-time programs.
2. Growth of regular staff through involvement.
3. Interaction between full-time program staff and the business community.

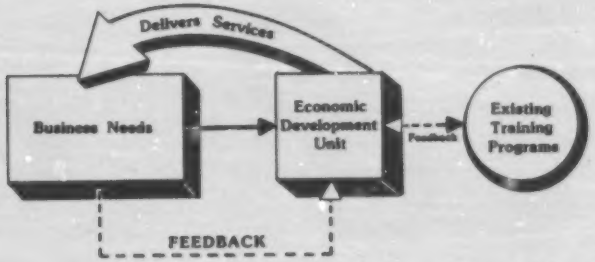
WEAKNESSES

1. Economic Development Unit has no authority over those who deliver the services.
2. Lack of clear responsibility for new instructional programs.

Mid-State Technical Institute in the Wisconsin VTAE system has successfully implemented this model.

THE INDEPENDENT UNIT

In the independent model, the economic development unit actually plans and delivers the services.



The economic development unit may or may not use existing program resources. It is very likely that it will use outside vendors or hire part-time staff members who are not involved in full-time instructional programs.

This model is most likely to be found in an institution that has a relatively small number of programs, or where resources for regular programs are very limited. The model will also be found in institutions where curriculum or staff are too rigidly structured to release regular instructors for teaching in business and industry.

The strengths and weaknesses of the facilitator model can be summarized as follows:

STRENGTHS

1. There are no staff limitations.
2. Services can be delivered more quickly.

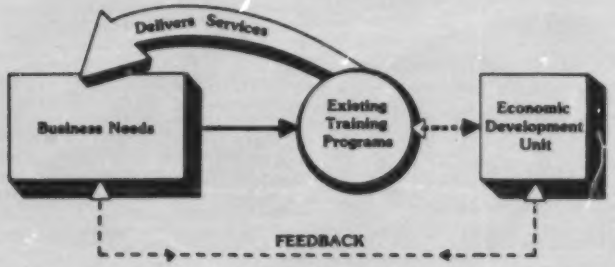
WEAKNESSES

1. There is potential for competition, rather than cooperation with existing efforts of the institution.

A very successful example of this model can be seen at Triton College in River Grove, Illinois.

THE FACILITATOR UNIT

The facilitator model builds on "business as usual" in VTAE districts.



Training program representatives, (program coordinators, in many schools) make the direct marketing contacts with the business community and arrange for delivery of instruction.

The economic development unit may help a business plan for training needs which cut across a number of programs, or be responsible for all quick start programs for new businesses. The unit might provide supportive service to the program representatives, such as maintaining the business and industry data base. It might facilitate community linkages by working with the economic development advisory committee and serving as a communication link for all involved. The economic development unit is seen as supportive to the delivery of services, rather than being a provider of services itself.

As the other models, the facilitator model has some strengths and weaknesses worth noting:

STRENGTHS

1. Can be implemented with relative ease.
2. Capitalizes on technical expertise of existing staff.

WEAKNESSES

1. Overlapping business contacts by subject specialists.
2. Program coordinators may favor full-time programs, failing to maintain adequate business contacts.

Many aspects of this model have been successfully implemented by Northeast Wisconsin Technical Institute, as well as several other places in the VTAE system.

THE ACCOUNT EXECUTIVE APPROACH

One method of integrating economic development efforts with existing operations uses a team of account executives as chief business contacts.

An account executive is someone who has responsibility for all contacts and services rendered to a specific business (account).

The account executive performs the following functions with regard to assigned accounts:

1. Establishes and maintains liaison.
2. Markets services.
3. Determines the present and future needs for services.
4. Maintains the data file on contacts and services.
5. Assists instructional divisions with the development of services.
6. Monitors the implementation of services.
7. Conducts follow-up and evaluation of services.

The account executive approach can be employed with any of the three organizational models presented above.

REVIEW THE PRESENT ORGANIZATIONAL CHART

- Will your present organizational design allow you to release staff and resources for economic development efforts? If not, what shifts should be made?

- Do you presently have in place staff whose responsibilities could include intensified economic development?

- Have you determined in Activity 4B that you needed to establish a *new* unit to coordinate economic development efforts? When does this step need to be taken?

- What will be the role of the instructional program staff (both management and faculty) in the economic development effort? How will this effort be coordinated with existing activities?

- Does your organization's structure provide the marketing strength and style needed to implement your economic development plan? What staff skills are necessary for effective marketing?

Activity 4C — DEVELOP MARKETING PLAN

Design a district marketing plan specifically for economic development efforts.

- What priority economic development services will you be marketing? Are there some services you will promote more aggressively than others?
- How much can you and will you charge for those services?
- How large an effort will the district be making in the economic development area?
- Whom will you market to; specific businesses, the business community in general, the entire community?
- Who are key businesses or business leaders you will approach? Will you be targeting certain types of businesses?
- What are the characteristics of your specific market audience?
- What specific techniques will you use to market your services?

- How will you tell your story to your audiences in an organized fashion? What tools will you need?

- What changes does this effort call for in your current public information activities.

Activity 4D — DESIGN DATA SYSTEM

Create a centralized mechanism to gather and sort data on economic development activities, including the results of all contacts with business. Moraine Park Technical Institute's Industry Data Base is a good example of a computerized system.

- What data do you need to collect on each business for your district? For each business can you identify the following: The nature of the business; number of persons employed; contact persons within the firm; who from the district has called on the business; what training needs were previously identified; how were those needs met; what graduates have been hired by that firm and in what occupational areas; and what survey data has previously been collected on a particular business.

- Does your system provide you with detailed data on each individual business as well as by Standard Industrial Classification numbers?

- Does your data system tell you what requests for training are pending?

- Will your system log leads for future program development?

- Do you have the capacity to computerize this system?

- What forms and procedures must be created to obtain data from staff on a regular basis?

- How will you maximize staff participation in this system?

- What system will be used to keep information current?

Activity 4E — DESIGN FISCAL SYSTEMS

- What internal fiscal policies are in place, or need to be in place to facilitate economic development efforts?
- What will you charge for services? Is one of your objectives to make economic development self-supporting or even a source of district revenues?
- Under what circumstances will you offer cost free or limited cost services? Have you identified resources to enble you to do this?
- What resources are available to do demonstration or exemplary economic development projects?
- How will your fiscal policies support the attraction of new businesses?
- How will economic development revenues be used by the District? How will the economic development unit be supported?

Activity 4F — DESIGN QUALITY CONTROL PROGRAMS

Identify quality control measures which will be part of the plan. These measures develop the capacity of the institution to respond to the business community quickly and with ever-increasing quality. These will include: 1) a program review and update process, 2) renewed use of program advisory committees, 3) ongoing staff in-service and professional growth, and 4) review of job placement services and statistics.

PROGRAM REVIEW AND UPDATE

- What instruments will you use to evaluate instruction or services delivered to business and industry?
- What percent of your present educational offerings are in a flexible, modular format? What system do you have in place which will encourage institutional growth in this area?
- What research mechanisms do you have in place to predict future directions for instructional programs that accommodate technological and labor market changes?

- Do you have a mechanism to perform program audits of existing district programs?

- Are you structured to allow for rapid response to new needs and requests from the business community?

PROFESSIONAL GROWTH PLAN

- What is your plan for ongoing staff in-service on economic development? Is your staff ready to respond to new demands from this program?

- Do you have a professional growth plan which provides opportunity for continual update in new technologies and advancements in each instructional field?

ADVISORY COMMITTEE SYSTEM

- How strong are your program advisory committees? How often are they meeting? How can they be used to provide further input into ongoing programs and economic development activities?

EXISTING POLICIES AND PROCEDURES

- What existing policies and procedures will support or hinder economic development activities?
- What registration mechanisms are in place to facilitate economic development activities and evaluation?

NETWORKING

- What organizations within the district do you need to work closely with to avoid duplication and maximize results?
- How will you coordinate your efforts with those of other VTAE districts? What information would be helpful to share?
- What information will you provide to, or need to receive from, the Wisconsin Board of VTAE? The Wisconsin Department of Development?
- Who are your economic development partners?

Stage Five
INSTITUTIONAL APPROVAL

The Board must ultimately adopt the district economic development model recommended by the administration. The Board needs to recognize the implications of adopting such a plan and the need for total Board commitment to make the effort successful.

Activity 5A — ADMINISTRATIVE APPROVAL

The Director's support is essential in a successful economic development effort. The Director must be able to visualize the total process and the effect that it will have on the existing operation and community relationships. He or she must be patient enough to allow the plan to mature properly and aggressive enough to keep the entire system focused on the philosophy and the goals that have been adopted. The Director will provide key leadership by working closely with chief executive officers, area Chambers of Commerce, and regional planning and development groups.

The entire administrative staff must be in agreement with the economic development plan. It will be their responsibility to guide the direction and the extent of the effort. They must also develop an economic development philosophy statement for the district, and sell it to the management and instructional staff.

Activity 5B — DISTRICT BOARD APPROVAL

In reviewing the plan, the Board needs to:

- Develop a concept of their own as to what the District's commitment will be to economic development.
- Concur with the district philosophy statement which gives overall direction to economic development activities.
- Be sufficiently knowledgeable about the requirements of these efforts to allow for the budget and staff changes which, at times, may need to occur on short notice.
- Make a commitment to the upgrading of staff necessary to sustain economic development activities.
- Commit budget funds to economic development.

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Stage Six
PREPARE FOR STARTUP

In this phase, the internal systems and procedures will be established. This phase involves management personnel and the in-house economic development committee.

IMPLEMENTATION ACTIVITIES

- Revise economic development plan if necessary, based on administrative and Board review of proposed plan.
- Identify and/or hire the staff who will be involved in implementing the economic development plan. Write job descriptions. Publicize personnel additions/changes.
- Establish your business and industry data base and complementary internal communication network. Identify specific persons responsible for contacts with specific district businesses.
- Purchase supplies and materials needed to support the economic development unit.

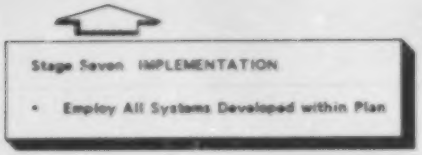
- Develop an extensive in-service program for personnel directly involved in economic development. Include the district philosophy and approach to economic development; the local district economic development model; information on existing programs, resources, and services to be marketed; and training in marketing and sales techniques.

- Begin an in-service program for your total staff on the economic development thrust.

- Formalize policies and procedures for economic development activities. Establish a means of updating these policies. Distribute to all appropriate personnel.

- Begin to work with your network of economic development partners.

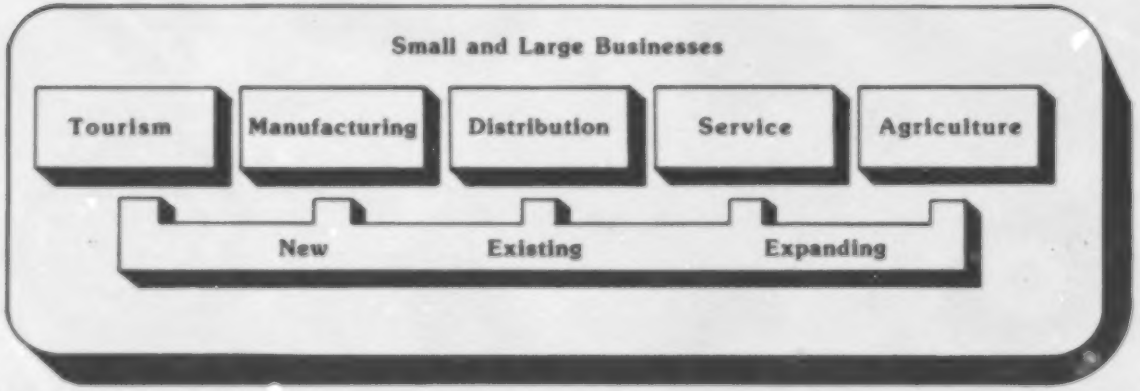
Stage Seven
IMPLEMENTATION



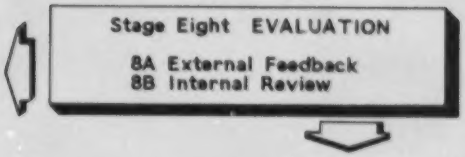
At this stage your local VTAE district representatives begin to make individual calls on businesses.

The purpose of the calls is to present to the business community the expanded services that are available through the local VTAE district. The marketing plan established earlier, with its priorities, organizational staff alignment, and internal procedures is actualized. The economic development plan, approved by the Board, is implemented.

THE BUSINESS COMMUNITY SERVED BY THE VTAE SYSTEM



Stage Eight
EVALUATION



Evaluation should be a continuous concern of everyone involved in economic development. The first phase of evaluation should be focused on the delivery of services to assure that the needs of the business community are being met with quality and punctuality. The second phase of evaluation should be a periodic review of the entire district effort and the plan of operations being followed.

If the results of the evaluation are positive, continue providing services as outlined in your plan.

However, if feedback and evaluation indicates results less than satisfactory, the economic development unit must examine the situation closely, starting with assessing institutional resources and business needs and reexamining the plan for services. Both the preparation and implementation stages must be examined.

ACTI''ITY 8A — EXTERNAL FEEDBACK

Designing ongoing external feedback mechanisms.

- How will you continually get feedback from the business community?
- Will you focus on data from employers served by the program directly?
- Is is important to get broad data from the larger district business community? If so, what mechanisms will you use?
- How will the Economic Development Program Advisory Committee participate in this feedback process? What will be their ongoing role?
- What mechanisms are now in place to assess the total district reaction to all services offered by the school? Are these adequate in light of the economic development emphasis?

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ACTIVITY 8B — INTERNAL REVIEW

Carefully evaluate internal supervision and review mechanisms to assess their adequacy to meet the needs of the Economic Development Program.

- What internal mechanisms for program supervision and review of program quality are presently in place?
- Will the present system provide adequate supervision of off-campus instruction and services? If not, what mechanisms will you implement?
- How will you obtain feedback from the instructional staff directly involved in economic development services?
- How will you evaluate the impact and cost/benefit relationships of various offerings?
- How will you insure overall excellence in the Economic Development Program?
- How will you evaluate and share the implications of economic development activities for regular program offerings?

APPENDIX A

ADHOC ADVISORY COMMITTEE ON ECONOMIC DEVELOPMENT

Chairperson

Dr. Stanley Spanbauer, District Director
Fox Valley Technical Institute
Appleton, WI 54911

Committee Members

Mr. Richard Agness
Lawrence University
Appleton, WI

Dr. Merle Bodine, Director
Bureau of Community and Economic Development
WBVTAE
Madison, WI

Ms. Elaine Boyce, Economic Development Coordinator
Mid-State Technical Institute
Wisconsin Rapids, WI

Mr. Ronald Braun, Manager, Industrial Relations
Giddings & Lewis
Kaukauna, WI

Ms. Carolyn Garber, Executive Assistant
Office of Economic Development
Madison, WI

Mr. Gary Goyke, Past Chairman
Senate Education Committee
Oshkosh, WI

Mr. Joe Halter, Director
Winne-Ford Consortium
Oshkosh, WI

Mr. Lonny Hansen
VTAE State Board Member
Business Manager,
Plumbers & Steamfitters, Local 206
Wausau, WI 54401

Dr. Dwight Davis, Director
North Central Technical Institute
Wausau, WI 54401

Mr. Raymond Doggett, J.C.
Manager, Education and Training
for North American Sales Division
Allis Chalmers Corporation
Milwaukee, WI

Mr. Richard Haviland
FVTI Board Member
Chairman, Curriculum Committee
Menasha, WI

Mr. James Lauer, Director
Outagamie County CETA
Appleton, WI

Assemblyman David Prosser
Appleton, WI

Dr. John Schmidt
Assistant Vice Chancellor
Division of Continuing Education
UW-Oshkosh
Oshkosh, WI

Mr. Larry Smits, Director
Wisconsin Job Service
Menasha, WI

Ms. Shirley Spale, Administrative Assistant
Fox Cities Chamber of Commerce
Appleton, WI

Ms. Kathleen Strawhacker, Executive Director
Oshkosh Commercial Development
Oshkosh, WI

Mr. Patrick Vercauteren, Executive Director
CHAMCO
Oshkosh, WI

Mr. James Voss, Employer Relations Manager
Lakeview Mill
Kimberly-Clark Corporation
Neenah, WI

Mr. Roy Willy, Executive Director
East Central Regional Planning Commission
Menasha, WI

APPENDIX B

PROJECT CONSULTANTS

Dr. Robert Screnson
State Director
Wisconsin Board of VTAE
Madison, Wisconsin

Mr. Joseph Sturdivant
Director of Industry
Services Division
State Department of
Community Colleges
Raleigh, North Carolina

APPENDIX C
GUIDE DEVELOPMENT COMMITTEE

Dr. Kenneth Huddleston —	Cochairperson, Business Business Coordinator
Mr. Robert Martin —	Cochairperson, Administrator Operations and Instructional Design Services
Ms. Barbara Keller —	Planning and Projects Manager
Ms. Carolyn Mewhorter —	Wo/Men's Educational Bureau Manager
Mr. Stephen Nagy —	Manager, Operating Systems
Mr. Dennis Nitschke —	Executive Secretary, East-Central Wisconsin Consortium
Dr. Kathleen Paris —	Administrator, Research and Marketing Services
Mr. Gaylord Unbehaun —	Supervisor, Agriculture/Home and Consumer Sciences Division

APPENDIX D
FVTI GUIDE REVIEW COMMITTEE

Mr. Ivan Gruetzmacher —	Cochairperson, Agriculture/ Home and Consumer Sciences Coordinator
Mr. Richard Schmidt —	Cochairperson, Trades and Industry Coordinator
Ms. Bonnie DeMaster —	Chilton Regional Center Manager
Dr. Leigh Gisvold —	General Education Coordinator
Mr. Robert Keehan —	Systems Analyst
Mr. Roger Kolberg —	Lead Instructor, Pilot Business Training Program
Mr. Leo Patt —	Winnebago County Economic Development Coordinator
Ms. Gloria Pursell —	Outagamie County Economic Development Coordinator

APPENDIX E
ECONOMIC DEVELOPMENT GUIDE ASSUMPTIONS

1. Stronger efforts are needed at both the state level and local VTAE district level to assist business development in Wisconsin.

   A. State to government leadership is needed to:

      1. Create an ideal business climate.

      2. Attract new businesses to Wisconsin.

      3. Coordinate statewide economic development efforts.

   B. VTAE district leadership is needed to help business prosper. Services include:

      1. Assistance to existing businesses to expand or modify operation

      2. Assistance to existing businesses to become established and operational

II. VTAE staff must be involved in ongoing in-service programs so as to be kept abreast of current and future business needs.

III. The staffing pattern of the local VTAE district must be flexible enough to meet a wide variety of training needs in the business community.

IV. A variety of training services must be made available to business including, but not limited to, occupational skill development, management training, basic education, and human relations training.

V. The local VTAE economic development plan should:

A. Identify the multi-target markets

B. Clearly define the services provided

C. Provide guidelines for determining priorities

D. Clearly define roles of staff

E. Identify the method and sources of financing

F. Be linked with existing occupational training offerings.

G. Provide for coordination with all relevant local and state agencies

H. Include written organizational strategies and operational procedures

VI. As a major human resource development agent within the state, the VTAE system needs to anticipate all employability needs as they develop and respond appropriately.

VII. Training services provided by local VTAE districts should be inherently attractive to local business. The services should:

A. Be based on employers' specifications and mutual needs analysis

B. Anticipate new technology

C. Provide customized service to meet business needs

D. Be in a flexible delivery format

E. Be competency-based utilizing the WisCom system

F. Be monitored and evaluated by the VTAE district and the businesses being served

G. Include appropriate new instruction as needed

H. Be delivered in a timely manner

I. Involve a minimum of red tape for the business

VIII. The success of economic development activities at the state and local level depends on direct and frequent communication with business and other participating agencies.

IX. A local VTAE district must be able to take risks in providing services to business when the need arises.

X. There are a number of potential barriers which must be addressed in designing an economic development model:

A. Involvement in organizational policy issues of business clients

B. Reluctance of business to invest time and money establishing and maintaining working relationships with the VTAE districts

C. Political resistance to provide funding for economic development efforts

D. Lack of definitions of the VTAE role in economic development both internally and externally

E. Potential reluctance of industry to share pertinent information

F. Demand for services that may exceed VTAE resources

G. Potential conflict with the interest of private vendors of training services to business

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